

November 3, 2009

United States Bankruptcy Court  
701 East Broad Street-Courtroom 5100  
Richmond, VA 23219

Debtors: Circuit City Stores, Inc., et al.  
Case Number: 08-35653, Claim Number 14337


Title of Objection: Fifty-Sixth Omnibus Objection to Claims (Disallowance of Certain Alleged Administrative Expenses on Account Of Employee Obligations)

Bruce H. Besanko (claimant) requests payment of \$2,203,668.90 as specified in his Employment Agreement with Circuit City Stores, Inc.

The Bankruptcy Court should overrule the objection set forth by the Debtors. The basis of the Debtors objections are without merit. In my defense, I filed my Employment Agreement claim in a timely manner. The Debtors defined my claim as administrative and gave the claim duplicate claim numbers, which was completely out of my control.

Secondly, the law is unclear as to whether or not Bankruptcy Law 503(c) trumps Contract Law regarding Employment Agreements. If the Judge determines this to be the case than the Employment Agreement claim should be reclassified as a general unsecured claim. I should not be penalized for "late-filing", or "duplicate claims", or "filing after the bar date", or "repetitive claims" as a result of this judicial process.

Claimant has a legally binding Employment Agreement which requires payments based on a Change in Control as defined as 'the consummation of a plan of complete liquidation, dissolution, or sale of substantially all the assets of the Company.' The Employment Agreement contains an evergreen provision such that the Agreement was perpetually renewing, and therefore a legal document on January 16, 2009.

  
Bruce H. Besanko  
191 Farmington Road  
Longmeadow, MA 01106  
Hm: 413-754-3030  
Cell: 804-714-8616

Attachments: Employment Agreement  
Proof of Claim Confirmation

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the Company, at any time, directly or indirectly, divulge, furnish, use, disclose or make accessible to any person, firm, corporation, association, or other entity (otherwise than as may be required in the regular course of the Executive's employment), either during the Executive's employment with the Company or subsequent to the last day of the Executive's employment, any Protected Information, or cause any such information of the Company to enter the public domain.

The Executive understands and agrees that any information, data and/or trade secrets about Company or its suppliers and/or distributors is the property of the Company and is essential to the protection of the Company's goodwill and to the maintenance of the Company's competitive position and accordingly should be kept secret. For purposes of this Agreement, "Protected Information" means trade secrets, confidential and proprietary business information of or about the Company, and any other information of the Company, including, customer lists (including potential customers), sources of supply, processes, plans, materials, pricing information, internal memoranda, marketing plans, promotional plans, internal policies, research, purchasing, accounting and financial information, computer programs, hardware, software, and products and services which may be developed from time to time by the Company and its agents or employees, including the Executive; provided, however, that information that is in the public domain (other than as a result of a breach of this Agreement), approved for release by the Company or lawfully obtained from third parties who are not bound by a confidentiality agreement with the Company, is not Protected Information.

Nothing contained in this Article is intended to reduce in any way protection available to the Company pursuant to the Uniform Trade Secrets Act as adopted in the Commonwealth of Virginia or any other state or other applicable laws which prohibit the misuse or disclosure of confidential or proprietary information.

**8.4. Acknowledgement of Covenants.** The parties hereto acknowledge that the Executive's services are of a special, extraordinary, and intellectual character which gives him unique value, and that the business of the Company and its subsidiaries is highly competitive, and that violation of any of the covenants provided in this Article 8 would cause immediate, immeasurable, and irreparable harm, loss, and damage to the Company not adequately compensable by a monetary award. The Executive acknowledges that the time, scope of activities and geographical area restrained by the provisions of this Article 8 are reasonable and do not impose a greater restraint than is necessary to protect the goodwill of the Company's business. The Executive further acknowledges that he and the Company have negotiated and bargained for the terms of this Agreement and that the Executive has received adequate consideration for entering into this Agreement. In the event of any such breach or threatened breach by the Executive of any one or more of such covenants, the Company shall be entitled to such equitable and injunctive relief as may be available to restrain the Executive from violating the provisions hereof. Nothing herein shall be construed as prohibiting the Company from pursuing any other remedies available at law or in equity for such breach or threatened breach, including the recovery of damages and the immediate termination of the employment of the Executive hereunder for cause.

## **Article 9. Change in Control**

**9.1. Change in Control.** This Article 9 shall not become effective, and the Company shall have no obligation hereunder, if the employment of the Executive with the Company shall terminate prior to a Change in Control (as defined in Article 9.2 below) of the Company.

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**9.2. Definition of Change in Control.** Change in Control of the Company means, and shall be deemed to have occurred, upon the first to occur of any of the following events:

- (a) The acquisition by any individual, entity, or group (a "Person"), including a "person" within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), but excluding an Affiliate (as defined below) of the Company, of beneficial ownership within the meaning of Rule 13d-3 promulgated under the Exchange Act, of thirty-five percent (35%) or more of either: (i) the then outstanding shares of common stock of Circuit City (the "Outstanding Common Stock"); or (ii) the combined voting power of the then outstanding securities of the Company entitled to vote generally in the election of directors (the "Outstanding Voting Securities"); excluding, however, the following: (A) any acquisition directly from the Company (excluding an acquisition resulting from the exercise of an option, conversion right, or exchange privilege unless the security being so exercised, converted or exchanged was acquired directly from the Company); (B) any acquisition by the Company; (C) any acquisition by an employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company; or (D) any acquisition by any corporation pursuant to a transaction which complies with clauses (i), (ii), and (iii) of subsection (c) of this Article 9.2;
- (b) Individuals who, as of the Effective Date, constitute the Board of Directors (the "Incumbent Board") cease for any reason to constitute at least a majority of such Board; provided that any individual who becomes a director of the Company subsequent to the Effective Date, whose election, or nomination for election by the Company's stockholders, was approved by the vote of at least a majority of the directors then comprising the Incumbent Board shall be deemed a member of the Incumbent Board; and provided further, that any individual who was initially elected as a director of the Company as a result of an actual or threatened election contest, as such terms are used in Rule 14a-11 of Regulation 14A promulgated under the Exchange Act, or any other actual or threatened solicitation of proxies or consents by or on behalf of any Person other than the Board shall not be deemed a member of the Incumbent Board;
- (c) The consummation of a reorganization, merger or consolidation of the Company or sale or other disposition of all or substantially all of the assets of the Company (a "Corporate Transaction"); excluding, however, a Corporate Transaction pursuant to which: (i) all or substantially all of the individuals or entities who are the beneficial owners, respectively, of the Outstanding Common Stock and the Outstanding Voting Securities immediately prior to such Corporate Transaction will beneficially own, directly or indirectly, more than sixty percent (60%) of, respectively, the outstanding shares of common stock, and the combined voting power of the outstanding securities of such corporation entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Corporate Transaction (including, without limitation, a corporation, which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or indirectly) in substantially the same proportions relative to each other as their ownership, immediately prior to such Corporate Transaction, of the Outstanding Common Stock and the Outstanding Voting Securities, as the case may be; (ii) no Person (other than: the Company; any employee benefit plan (or related trust)

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sponsored or maintained by the Company or any corporation controlled by the Company; the corporation resulting from such Corporate Transaction; and any Person which beneficially owned, immediately prior to such Corporate Transaction, directly or indirectly, twenty-five percent (25%) or more of the Outstanding Common Stock or the Outstanding Voting Securities, as the case may be) will beneficially own, directly or indirectly, twenty-five percent (25%) or more of, respectively, the outstanding shares of common stock of the corporation resulting from such Corporate Transaction or the combined voting power of the outstanding securities of such corporation entitled to vote generally in the election of directors; and (iii) individuals who were members of the Incumbent Board will constitute at least a majority of the members of the board of directors of the corporation resulting from such Corporate Transaction; or

- (d) The consummation of a plan of complete liquidation, dissolution, or sale of substantially all the assets of the Company.

For purposes of this Article 9, "Affiliate" shall mean with reference to a specified Person, any Person that directly or indirectly through one (1) or more intermediaries controls or is controlled by or is under common control with the specified Person. For purposes of this definition, "control" (including, with correlative meaning, the terms "controlled by" and "under common control with"), as used in respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of management and policies of such Person, whether through ownership of voting securities or by contract or otherwise.

**9.3. Change-in-Control Severance Benefits.** If at any time during the Term of this Agreement there is a Change in Control of the Company and the Executive's employment is terminated for any reason other than death, Disability, Retirement, Voluntary Termination other than Good Reason or Cause within the one (1) year period following the Change in Control or the Executive voluntarily terminates for any reason in the thirteenth month following a Change in Control of the Company, the Company shall provide to the Executive the following:

- (a) Base Salary and all other benefits due him as if he had remained an employee pursuant to Article 5 through the remainder of the month in which the termination occurs, less applicable withholding taxes and other authorized payroll deductions;
- (b) A lump-sum severance allowance in an amount that is equal to the product of two (2) times both the Executive's Base Salary at the rate in effect immediately prior to the termination and the Executive's target Annual Bonus established for the fiscal year in which the Executive's termination of employment occurs;
- (c) Continuation at the same cost to the Executive as existed as of the Effective Date of Termination of Agreement of all health, welfare, and benefit plan participation for two (2) full years following employment termination;
- (d) Provision of outplacement services for the Executive for six (6) months;
- (e) A lump-sum payment equal to the two (2) year cost of perquisites outlined in Article 5.6 above; and

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B 10 (Official Form 10) (12/07)

UNITED STATES BANKRUPTCY COURT FOR THE EASTERN DISTRICT OF VIRGINIA		PROOF OF CLAIM
<p style="text-align: center;"><b>Debtor against which claim is asserted: (Check only <u>one</u> box below:)</b></p> <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input checked="" type="checkbox"/> Circuit City Stores, Inc. (Case No. 08-35653)  <input type="checkbox"/> Circuit City Stores West Coast, Inc. (Case No. 08-35654)  <input type="checkbox"/> InterTAN, Inc. (Case No. 08-35655)  <input type="checkbox"/> Ventoux International, Inc. (Case No. 08-35656)  <input type="checkbox"/> Circuit City Purchasing Company, LLC (Case No. 08-35657)  <input type="checkbox"/> CC Aviation, LLC (Case No. 08-35658)                 </div> <div style="width: 33%;"> <input type="checkbox"/> CC Distribution Company of Virginia, Inc. (Case No. 08-35659)  <input type="checkbox"/> Circuit City Stores PR, LLC (Case No. 08-35660)  <input type="checkbox"/> Circuit City Properties, LLC (Case No. 08-35661)  <input type="checkbox"/> Orbyx Electronics, LLC (Case No. 08-35662)  <input type="checkbox"/> Kinzer Technology, LLC (Case No. 08-35663)  <input type="checkbox"/> Courchevel, LLC (Case No. 08-35664)                 </div> <div style="width: 33%;"> <input type="checkbox"/> Abbott Advertising, Inc. (Case No. 08-35665)  <input type="checkbox"/> Mayland MN, LLC (Case No. 08-35666)  <input type="checkbox"/> Patapasco Designs, Inc. (Case No. 08-35667)  <input type="checkbox"/> Sky Venture Corporation (Case No. 08-35668)  <input type="checkbox"/> XSSuff, LLC (Case No. 08-35669)  <input type="checkbox"/> PRAHS, INC. (Case No. 08-35670)                 </div> </div>		
<p>Name of Creditor (the person or other entity to whom the debtor owes money or property):  <b>BESANKO, BRUCE H</b></p>		<input type="checkbox"/> Check this box to indicate that this claim amends a previously filed claim.  <p>Court Claim Number: _____ (If known)</p> <p>Filed on: _____</p> <p style="text-align: center; font-size: 1.2em;">3820</p>
<p>Name and address where notices should be sent: <span style="float: right;">NameID: 4941310      PackID: 447669</span></p> <p style="text-align: center;"><b>BESANKO, BRUCE H</b>  <b>191 FARMINGTON ROAD</b>  <b>LONGMEADOW MA 1106</b></p> <p style="text-align: right;">Telephone number: <b>413-754-3030</b></p>		
<p>Name and address where payment should be sent (if different from above):</p> <p style="text-align: right;">Telephone number: _____</p>		<input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.  <input type="checkbox"/> Check this box if you are the debtor or trustee in this case.
<p>1. Amount of Claim as of Date Case Filed: <u>\$ Unknown</u></p> <p>If all or part of your claim is secured, complete item 4 below; however, if all of your claim is unsecured, do not complete item 4.</p> <p>If all or part of your claim is entitled to priority, complete item 5.</p> <p><input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.</p>		
<p>2. Basis for Claim: <u>"Employment Agreement"</u> (See instruction #2 on reverse side.)</p>		<p>5. Amount of Claim Entitled to Priority under 11 U.S.C. § 507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount.</p> <p>Specify the priority of the claim.</p> <div style="margin-top: 10px;"> <input type="checkbox"/> Domestic support obligations under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).   <input type="checkbox"/> Wages, salaries, or commissions (up to \$10,950*) earned within 180 days before filing of the bankruptcy petition or cessation of the debtors business, whichever is earlier — 11 U.S.C. § 507(a)(4).   <input type="checkbox"/> Contributions to an employee benefit plan — 11 U.S.C. § 507(a)(5).   <input type="checkbox"/> Up to \$2,425* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use — 11 U.S.C. § 507(a)(7).   <input type="checkbox"/> Taxes or penalties owed to governmental units — 11 U.S.C. § 507(a)(8).   <input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. § 507(a)(____).                 </div> <p style="text-align: right;">Amount entitled to priority: \$ _____</p> <p style="font-size: 0.8em;">*Amounts are subject to adjustment on 4/1/10 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment</p>
<p>3. Last four digits of any number by which creditor identifies debtor: _____</p> <p>3a. Debtor may have scheduled account as: _____ (See instruction #3a on reverse side.)</p>		
<p>4. Secured Claim (See instruction #4 on reverse side.)                  Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information.</p> <p>Nature of property or right of setoff:    <input type="checkbox"/> Real Estate    <input type="checkbox"/> Motor Vehicle    <input type="checkbox"/> Other</p> <p>Describe: _____</p> <p>Value of Property: \$ _____ Annual Interest Rate _____ %</p> <p>Amount of arrearage and other charges as of time case filed included in secured claim, if any: \$ _____ Basis for perfection: _____</p> <p>Amount of Secured Claim: \$ _____ Amount Unsecured: \$ _____</p>		
<p>6. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim.</p> <p>7. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements or running accounts, contracts, judgments, mortgages, and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary. (See definition of "redacted" on reverse side.)</p> <p>DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.</p> <p>If the documents are not available, please explain: _____</p>		
<p>Date: <u>12/26/08</u></p> <p>Signature: the person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any.</p> <p style="font-size: 1.5em; text-align: center;"><i>BL</i></p>		<p><b>FOR COURT USE ONLY</b></p>

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.



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Circuit City's Claims Processing  
c/o Kurtzman Carson Consultants LLC  
2335 Alaska Ave  
El Segundo, CA 90245

FIRST CLASS  
US POSTAGE PAID  
EL SEGUNDO CA  
PERMIT NO. 45049

BESANKO, BRUCE H  
191 FARMINGTON ROAD .  
LONGMEADOW, MA 1106

**PROOF OF CLAIM CONFIRMATION**

Your proof of claim filed against Circuit City Stores, Inc.,  
case no 08-35653 was received on 1/16/2009  
and assigned claim number 3820

*Employment Agreement*

For more information, please visit [www.kccllc.net/circuitcity](http://www.kccllc.net/circuitcity) or call  
(866) 381-9100.



Circuit City's Claims Processing  
c/o Kurtzman Carson Consultants LLC  
2335 Alaska Ave  
El Segundo, CA 90245

FIRST CLASS  
US POSTAGE PAID  
EL SEGUNDO CA  
PERMIT NO. 45049

BESANKO, BRUCE H  
191 FARMINGTON ROAD  
LONGMEADOW, MA 011106

**PROOF OF CLAIM CONFIRMATION**

Your proof of claim filed against Circuit City Stores, Inc.,  
case no 08-35653 was received on 1/27/2009  
and assigned claim number 6972

*Employment Agree*

*\* Duplicate - For Reference Only.*

For more information, please visit [www.kccllc.net/circuitcity](http://www.kccllc.net/circuitcity) or call  
(866) 381-9100.

